

# Procurement Rules

<b>7 CFR Part 3016</b> <a href="http://www.access.gpo.gov/nara/cfr/waisidx_01/7cfr3016_01.html">http://www.access.gpo.gov/nara/cfr/waisidx_01/7cfr3016_01.html</a>  <b>Public Local Education Agents (LEAs) And Sub-grantees</b>	<b>7 CFR Part 3016</b> <a href="http://www.access.gpo.gov/nara/cfr/waisidx_01/7cfr3016_01.html">http://www.access.gpo.gov/nara/cfr/waisidx_01/7cfr3016_01.html</a>  <b>State Agencies (SAs)</b>	<b>7 CFR Part 3019</b> <a href="http://www.access.gpo.gov/nara/cfr/waisidx_01/7cfr3019_01.html">http://www.access.gpo.gov/nara/cfr/waisidx_01/7cfr3019_01.html</a>  <b>Non-Public LEAs</b>
<b>Implementation Date:</b> <u>Public LEA</u> - No later than July 1, 2001 <u>Other Public Sub-grantees</u> - October 1, 2000	<b>Implementation Date:</b> October 1, 2000	<b>Implementation Date:</b> No later than July 1, 2001
Public LEAs or sub-grantees must follow State or local procurement codes except for provisions, which are inconsistent with Federal procurement requirements; then the sub-grantee must follow federal requirement(s) for those specific areas only under the umbrella of State or local procurement rules.  State/local procurement must be equal to or more stringent than Federal Procurement Rules.	Federal Rules or State Rules. The SA has option of selecting which procurement rules to follow. States will make selection as part of State administrative Expense (LEA) process.	Federal Rules must be followed as required by 7 CFR Part 3019 unless an organization chooses to follow its more restrictive rules.
State/local thresholds-vary by State/local procurement codes  If State/local thresholds is lower than Federal threshold for small purchases, LEA must apply state/local threshold since it is more stringent than the Federal threshold.	Federal threshold for small purchases if \$100,000 or less.  State thresholds-vary by State procurement codes.	Small Purchase Threshold is \$100,000 or less (informal procurement)
Sub-grantee procurement-purchases exceeding small purchase threshold as established by State/local code must follow formal procurement.	Federal procurement-purchases exceeding \$100,000 must follow formal procurement.  State procurement-purchases exceeding small purchases threshold as established by State code must follow formal procurement.	Purchases exceeding \$100,000 must follow formal procurement.
Maximum free and open competition must be afforded.  The following practices are prohibited:  Geographical Preference Contractor performance of certain services directly related to procurement action (development of specifications, requirements, statements of work, invitations to bid, etc.)	Maximum free and open competition must be afforded.  The following practices are prohibited:  Geographical Preference Contractor performance of certain services directly related to procurement action (development of specifications, requirements, statements of work, invitations to bid, etc.)	Maximum free and open competition must be afforded.  The following practices are prohibited:  Contractor performance of certain services directly related to procurement action (development of specifications, requirements, statements of work, invitations to bid, etc.)